resources to serve veterans. Similarly, VA is unable to fully share, even when it is mutually advantageous to do so, its resources with others in the community who could benefit from the Department's expertise. To remedy that situation, the draft bill includes provisions to expand VA's ability to share resources with other community health-care providers.

The draft bill would amend existing law to permit the Department to share all types of health-care resources with all types of health-care providers in the community. It would define ''health care resource'' to include conventional health-care services such as hospital care, nursing home care, outpatient care, rehabilitative care, and preventive care. Additionally, it would include other health-care support or administrative services essential to the operation of a health-care system. The draft bill would also more broadly define the term ''health care provider'' to include insurers, health-care plans, and health-care management organizations, as well as individuals such as physicians or other solo providers. The expanded sharing authority is essential for the reform of the entire VA health-care system.

VA RETENTION OF INCREASED MEDICAL COLLECTIONS

Current law permits the VA to recover the cost of care it provides to veterans from third parties, particularly insurance companies. Funds collected are turned over to the Treasury. The Department currently does an excellent job of collecting these funds. However, as an additional incentive to VA medical centers to increase collections, the draft bill would authorize the Department to retain a portion of amounts it collects over the amounts anticipated in the budget each year. Providing an incentive such as this is a classic example of how to ''reinvent'' Government.

TERMINATION OF MANUFACTURED HOME LOAN PROGRAM

The draft bill would repeal the authority for VA to guarantee loans to purchase manufactured homes. The number of veterans obtaining manufactured home loans has declined significantly over the years, from a high of 13,502 in fiscal Year 1983 to only 24 in Fiscal Year 1994. Manufactured home loan foreclosure rates are significantly higher than those for site-built homes. The cumulative foreclosure rate for manufactured home loans is 38.7 percent compared to 5.58 percent for site-built homes. The high foreclosure rates in the manufactured home loan program have adversely affected the financial solvency of the loan guaranty program, and resulted in substantial debts being established against veterans whose loans were liquidated and homes repossessed. Due to this low volume, there is virtually no lender interest in using the VA manufactured home loan program. However, VA is required to maintain expertise in consumer installment finance, which differs in many respect from real estate finance.

This provision will not affect the ability of veterans to obtain VA guaranteed loans to purchase, construct, or improve conventionally-built homes, or refinance existing liens on such homes.

CONTRACTING FOR PORTFOLIO LOAN SERVICING

The draft bill would permit VA to contract for servicing of its loan portfolio in a manner which is consistent with private sector loan servicing. VA believes it is in the best interests of the Government to contract out this function. Several provisions of existing law, however, preclude VA from privatizing this function in the most effective manner.

Current law limits Federal contracts to a term of 5 years. This is too short a term for the servicing of loans that bear a 30-year maturity. The draft bill would permit the servicing contract to have a 15-year term. Second, current law requires a contract servicer to remit immediately to the Government all money collected. The bill would allow the contractor to retain a portion of the loan payments collected as its fee as is customary in the private sector. Finally, the draft bill would clarify the budget treatment of the cost of this contract under the Federal Credit Reform Act of 1990 as a cost of the loan rather than as administrative overhead, which more accurately reflects private sector accounting practices.

ELECTRONIC SIGNATURES AND ELECTRONIC FUNDS TRANSFERS—EDUCATION BENEFITS

In the modern world, information is commonly transmitted electronically. Yet statutes are often slow to catch up with technology. This draft bill would amend various laws to modernize administration of VA's education benefit programs. The bill would clarify that claimants for VA education benefits, State approving agencies, and schools may transmit documents with their signature electronically to permit VA to award benefits. The bill would also authorize VA to implement, under an agreement with the Treasury, a system requiring that payment of educational assistance allowances under all education benefits programs administered by VA would be made by electronic funds transfer.

The Omnibus Budget Reconciliation Act (OBRA) requires that all revenue and direct spending legislation meet a pay-as-you-go requirement. That is, no such bill should result in an increase in the deficit; and if it does, it will trigger a sequester if it is not fully offset. Outlay savings in this bill would equal its increase in direct spending, resulting in a net zero PAYGO effect. Thus, considered alone, this bill meets the pay-as-you-go requirement of OBRA.

We are advised by the Office of Management and Budget that there is no objection to the transmittal of this draft bill to the Congress and its enactment would be in accord with the program of the President.

Sincerely,

JESSE BROWN.●

ADDITIONAL COSPONSORS

S. 704

At the request of Mr. SIMON, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 704, a bill to establish the Gambling Impact Study Commission.

S. 743

At the request of Mrs. HUTCHISON, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 743, a bill to amend the Internal Revenue Code of 1986 to provide a tax credit for investment necessary to revitalize communities within the United States, and for other purposes.

S. 837

At the request of Mr. WARNER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 837, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 250th anniversary of the birth of James Madison.

S. 881

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 881, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 969

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 969, a bill to require that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child, and for other purposes.

S. 984

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 984, a bill to protect the fundamental right of a parent to direct the upbringing of a child, and for other purposes.

S. 1043

At the request of Mr. STEVENS, the names of the Senator from Rhode Island [Mr. CHAFEE] and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of S. 1043, a bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes.

S. 1150

At the request of Mr. SANTORUM, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 1150, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the Marshall Plan and George Catlett Marshall.

S. 1163

At the request of Mr. LEAHY, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from New Hampshire [Mr. SMITH], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1163, a bill to implement the recommendations of the Northern Stewardship Lands Council.

S. 1228

At the request of Mr. SMITH, his name was added as a cosponsor of S. 1228, a bill to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran.

At the request of Mr. D'AMATO, the names of the Senator from Florida [Mr. MACK], the Senator from Utah [Mr. HATCH], the Senator from Iowa [Mr. GRASSLEY], the Senator from Mississippi [Mr. COCHRAN], the Senator from Alaska [Mr. STEVENS], the Senator from Ohio [Mr. DEWINE], the Senator from Virginia [Mr. WARNER], the Senator from Colorado [Mr. BROWN],

the Senator from Alabama [Mr. SHELBY], the Senator from Kansas [Mr. DOLE], the Senator from Colorado [Mr. CAMPBELL], the Senator from Oklahoma [Mr. INHOFE], the Senator from Pennsylvania [Mr. SANTORUM], the Senator from Texas [Mr. GRAMM], the Senator from Utah [Mr. BENNETT], the Senator from Georgia [Mr. COVERDELL], the Senator from Wyoming [Mr. THOMAS], the Senator from Idaho [Mr. KEMPTHORNE], and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of S. 1228, supra.

S. 1280

At the request of Mr. MACK, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1280, a bill to amend the Internal Revenue Code of 1986 to provide all taxpayers with a 50-percent deduction for capital gains, to index the basis of certain assets, and to allow the capital loss deduction for losses on the sale or exchange of an individual's principal residence.

S. 1322

At the request of Mr. DOLE, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Arizona [Mr. MCCAIN], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1322, a bill to provide for the relocation of the U.S. Embassy in Israel to Jerusalem, and for other purposes.

S. 1323

At the request of Mr. DOLE, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Arizona [Mr. MCCAIN], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1323, a bill to provide for the relocation of the U.S. Embassy in Israel to Jerusalem, and for other purposes.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of Senate Resolution 146, A resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as ''National Family Week,'' and for other purposes.

SENATE RESOLUTION 185—TO EXPRESS THE SENSE OF THE SENATE REGARDING REPAYMENT OF LOANS TO MEXICO

Mr. FAIRCLOTH submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 185

Whereas the United States has provided Mexico with approximately $12,500,000,000 in loans to Mexico;

Whereas these loans were not authorized by the United States Congress;

Whereas the taxpayers of the United States should not be responsible for any losses incurred from these loans; and

Whereas certain loans to Mexico will become due and payable on October 30, 1995: Now, therefore, be it

Resolved, That, it is the sense of the Senate that no further loans should be made to Mexico without specific authorization from the United States Congress, and that, all loans made to Mexico should be repaid in full and on time, and that such debts should not be extended, rescheduled, or reduced in any manner.

Mr. FAIRCLOTH. Mr. President, today I am submitting a sense of the Senate regarding Mexico.

From day 1, I have been opposed to the Mexican bailout. It was never the sole responsibility of the United States to help Mexico pay its debtors.

These economic problems were of Mexico's own making, driven by politics, corruption, and poor economic policy.

Nevertheless, the President, without the approval of the Congress, went ahead and loaned $12.5 billion to Mexico.

This was a terrible mistake. We cannot continue to be the world's banker. We cannot continue to loan money to countries that have no intention of repaying it.

I might add that the Clinton administration has proposed the creation of an international bailout fund to deal with future problems like Mexico. I cannot think of a worse idea. Once the Congress establishes a fund—any fund—it will be used. Has money ever been appropriated by the Congress and not used? The answer is no. That is why I have introduced a bill, S. 1222, to stop the creation of this new international bailout fund.

Mr. President, returning to the Mexico issue, I would suggest that the first priority of this Congress and administration should be getting our own economic house in order before we can afford to engage in international bailouts, like Mexico.

This means getting Federal spending under control. I have to wonder if we keep putting ourselves deeper and deeper in debt—who will bail us out.

Mr. President, I firmly believe that the loans to Mexico will never be repaid. The American taxpayer will bear the burden of the Mexico bailout.

I think this is very wrong—and I intended to do everything I can to stop it—starting today.

Mr. President, last week, Mexico repaid $700 million of the nearly $12.5 billion in loans that they owe to the United States. This was a great public relations move for Mexico—but for those that read between the headlines there was something very troubling.

Mexico owes the United States $2 billion on October 30, 1995. Mexico was making payment of $700 million towards that loan.

Instead of paying that loan off in full, however, Mexico apparently intends to have the balance of what is owed by October 30—$1.3 billion—rolled over past that deadline.

This short term swap of $2 billion was extended to Mexico on February 2, 1995. It came due in May, but was rolled over in May for 90 days. It was rolled over in August for another 90 days. Now, its falling due again for a third time.

I think it is time that Mexico pays up—and on time.

Mr. President, for this reason, I am introducing a sense of the Senate that loans to Mexico be paid on time and in full.

The principle needs to be established early on in this relationship that these loans should be repaid in full and repaid on time.

If not, these so called loans will quickly become foreign aid. The Congress did not vote for foreign aid. The American taxpayer cannot afford more foreign aid. And the loans to Mexico shouldn't become foreign aid.

Further, if Mexico can't make this small repayment in full and on time—only $2 billion of the $12.5 billion—how will it ever repay the remaining balance.

The bulk of the United States loans to Mexico don't come due until 1997. They won't be fully repaid until the year 2000. But if Mexico can't repay its short term loans on time—then I do not have any hope that the loans coming due in 1997 through 2000 will ever be repaid.

Mr. President, in conclusion, Mexico made a great public relations move by repaying some of its loans last week. But the real story may be that they will never pay anymore. The real test will come shortly, by October 30 when Mexico should pay the United States $1.3 billion.

We need to be firm. We need to stand our ground now. Mexico must pay the United States back. This is what this sense of the Senate calls for.

SENATE RESOLUTION 186—RELATIVE TO THE SENATE LEGAL COUNSEL

Mr. DOLE (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 186

Whereas, the defendant in Triangle MLP United Partnership v. United States, No. 95–430C, a civil action pending in the United States Court of Federal Claims, is seeking testimony at a deposition from Charles Stek and Rebecca Wagner, employees of the Senate who are on the staff of Senator Paul S. Sarbanes;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to subpoenas or requests for testimony issued or made to them in their official capacities: Now, therefore, be it

Resolved, That Charles Stek, Rebecca Wagner, and any other employee of the Senate